

## **South Carolina**

The Medicare Modernization Act of 2003 (MMA) provides an opportunity for Medicare beneficiaries in the State of South Carolina to enroll in a Medicare-approved prescription drug discount card to help lower their drug costs. Beginning this June, the Medicare Prescription Drug Discount Card Program will enable Medicare beneficiaries to save discounts of 10 to 15 percent on average for their prescription drugs, and as much as 25 percent or more on individual prescriptions. In addition, the MMA enacted the Transitional Assistance Program, which provides a \$600 credit per year in 2004 and 2005 for the purchase of prescription drugs to beneficiaries with incomes that are 135 percent (or below) the federal poverty level, provided that individuals do not have Medicaid or other drug coverage.

Here's how this program is helping South Carolina:

- Currently, there are over 40 million Medicare beneficiaries nationally, including 607,000 beneficiaries in South Carolina. Of those in South Carolina, 148,000 beneficiaries do not have any prescription drug coverage. This program primarily benefits these individuals by assisting them in paying for the drugs they need.
- Over the duration of the program, CMS estimates a potential for \$3.8 to \$5.1 billion in total beneficiary savings from discounted drug prices nationally.
- CMS expects that a total of 7 million Medicare beneficiaries, including 80,000 beneficiaries in South Carolina, are currently eligible to participate in the Transitional Assistance Program. Over the duration of the program, this translates into a potential savings of \$8.6 billion nationally and almost \$100 million for beneficiaries in South Carolina.
- Nationally, CMS expects 65 percent of eligible (low-income) beneficiaries to participate in the Transitional Assistance Program. This means that a total of close to 5 million beneficiaries are estimated to participate, including nearly 52,000 in South Carolina. Based on this assumption, these beneficiaries are expected to save a total of \$5 billion nationally and close to \$62 million in South Carolina over the duration of the program.

South Carolina has a combined total of 41 individual drug cards (excluding special endorsements). This includes 39 national drug cards, 2 regional card(s), and 0 Medicare Advantage exclusive card(s). See attachment for more information.

In addition, some States have other pharmacy programs that offer a prescription drug benefit. South Carolina has a Medicaid Pharmacy Plus waiver, SILVERx CARD, which allows it to cover approximately 54,000 Medicare beneficiaries up to 200 percent of the poverty level. Like many assistance programs, not everyone who is eligible for this program signs up. Any of these remaining individuals could enroll in the drug card with the \$600 credit under the Transitional Assistance program or Pharmacy Plus program.